

NOTES FROM THE:

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Air Force Total Ownership Cost (AFTOC): SAF/FMC stood-up phase 1 of the AFTOC data system on 30 April 1998. AFTOC replaced the Visibility and Management of Operating and Support Costs (VAMOSC) system. Currently, the AFTOC contains only direct costs for aircraft systems but will be expanded over the next 12 months to add all costs for all systems, as well as component level data. The 30 April release is a beta system available to government personnel only. A user ID and password will be required to access the AFTOC data. All are encouraged to visit the site www.vamosc@tasc.com, request a user ID, and provide feedback on the initial data products.

The first AFTOC IPT meeting was held on 24 April in Crystal City VA. The meeting was chaired by SAF/FMC with representatives from various MAJCOMs, SAF/AQF, and AF/IL. The IPT charter was presented and approved. The vision of the AFTOC data systems as well as the details of the initial AFTOC web page were discussed. Also, the IPT team was presented with a list of possible AFTOC data and data products for review and comment. This set of approved data and products will form the basis of a complete AFTOC data system.

Reduction of Total Ownership Costs (RTOC) Web Page: A RTOC web page stood up on 5 May. It includes ownership costs for the five pilot programs selected by SAF/AQF. The five pilot programs are AMRAAM, F-16, KC-135, F-117, and SBIRS. The purpose of RTOC is to establish aggressive, time phased, TOC reduction goals with the objective of reducing total ownership costs while meeting the warfighter's needs. Dollars freed up will be applied back to Air Force modernization accounts. This site can be reached by accessing the AFTOC web site.

Factor's AFCAIG: As part of the IPT established to improve the Air Force flying hour factor process, a draft guide for preparing cost per flying hour factors has been written. The guide encompasses policies and procedures and was a team effort on the part of every active MAJCOM and ANG. Teams were established to create different chapters in the guide. Once reviewed and approved, it will provide a single source of guidance on the Air Force flying hour process.

Long Range Planning: SAF/FMC has been a key player supporting the Air Force's Long Range Planning

initiatives. Working side by side with strategic planners, SAF/FMC has estimated the cost of new weapon systems and futuristic concepts. Additionally, we have participated in MAJCOM planning conferences to help standardize documentation for systems the MAJCOMs have presented to the Air Force planning community (XP). Our objective is to ensure all of these systems pass the tests of military effectiveness, usefulness within the Air Force's force structure, and affordability within anticipated funding constraints.

The 7th Annual Air Force Worldwide Economic Analysis (EA) Conference, held in Albuquerque NM, 28-30 April 1998, was a resounding success. SAF/FMC sponsored the conference, which was hosted by 377 CPTS/CC (Lt Col Danny Branch, supported by MSgt Chris Orfe and 377 CPTS/FMA staff). Over 90 installation, command headquarters, field operating agency, direct reporting unit, and Secretariat/Air Staff analysts attended the conference. Mr James R. (Ron) Speer, Principal Deputy Assistant Secretary of the Air Force (Financial Management), gave a dynamic kickoff talk emphasizing the importance of field analysts' work supporting outsourcing (A-76), housing privatization, regular MILCON and family housing projects, and Defense Reform Initiatives such as utilities privatization. Briefing topics included: outsourcing and privatization (as addressed at the conference, there's a movement to call this "competitive sourcing" since historically for the Air Force about 40% of A-76 studies have been won by the in-house work force), housing privatization, A-76 cost comparisons, activity-based costing, financial analysis of nonappropriated funds construction projects, USAF cost and planning factors, analysis from base and command headquarters perspectives, risk analysis, and training for economic analysis, and environmental projects. The feedback from conference attendees was overwhelmingly positive, requesting that such conferences be held annually. This conference is the main vehicle by which field analysts receive feedback on how they're doing with economic analysis preparation. Command analysts are doing an excellent job preparing high quality EAs. As Mr Speer presented, less than five percent of EAs submitted to the Secretariat and Air Staff in FY97 needed major revisions. Even of those requiring major revisions, this was often due to a changed scope of a project rather than problems with preparation. Bottom Line: Air Force comptroller personnel preparing EAs are doing an excellent job. Keep up the good work!